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## The Manager's Part

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THE old idea of the position of manager of an industrial plant was that of a job—a big job to be sure, the biggest job which that particular plant offered, but nevertheless a job and one to be held against all comers. The present idea of management, taken in its broadest and best sense, would suggest thinking of it as a calling or profession rather than as a job. Certain it is that the manager of a plant of average size has in his work the opportunity to contribute toward the happiness and uplift of many people as much as does the average clergyman, to advance the physical welfare of these people more than can the average physician, and to serve them with good counsel, advice and leadership more intimately and effectively than could the average lawyer. And the best thought of all is that work and money expenditure toward the accomplishment of such service and of such a relationship are entirely along the lines of good business, the measurement of which in industry must always be determined by the question of a final profit in dollars and cents as the result, either direct or indirect, of every financial outlay.

It is not suggested that the manager can in any way take the place of the priest, the physician, or the lawyer. He should primarily be a specialist thoroughly versed in the technique of his particular line of production. But it is essential, and is becoming more so every day, that he be a man of foresight and of broad views and sympathies, who will realize and keep in touch with and justly measure the many human forces constantly bearing and reacting upon his work.

The human contacts of the manager in relation to his work are many. Starting with the plant itself, representing invested property, are the owners. The superintendents and foremen, and the employes or "help" naturally suggest themselves and are his chief and his daily associates. The community in which the plant is located; the customers comprising the markets or trade supplied; the competitors representing the industry; all

mean most important human contacts, directly or indirectly, for the manager. These, with the manager himself, viewed subjectively, make seven different groupings which will serve as an outline.

### OWNERS

The owner, representing the capital of the undertaking, may be near the plant as a resident in the community, or far away from it as in the case of many stockholders. Ownership may be represented by one or by many persons. The ideal condition in the past has been approached most often where the owner and manager were one, which meant of course active daily touch with the work and with the workers. The advantages of such a condition are evident, and, given an owner-manager of broad views and sympathies, a proper understanding of the human problems is almost assured. Except in industries where consolidation has not gone far, however, ownership, or capital, is often represented by a host of people. Under present conditions many, perhaps all of these, are totally unknown to the business as a going concern, or at least quite unacquainted with it. If things progress as indicated by developments of recent years, the gulf of absenteeism in ownership which in itself is undesirable, may to a large extent be bridged by a remarkable increase in the number of small owners, or worker-capitalists. This already is under way on a large scale in such great aggregations as the United States Steel Corporation. The evolution in effect is doing away with the individual proprietor at the plant, and is gradually building up collective personal ownership among the workers at the plant. It is going from the condition where a single capitalist, as manager, was also a worker, to the condition where all, or at least many workers, become small capitalists. It is bringing ownership which has gotten away from the plant, back to the plant through another channel. It is the sane answer to bolshevism. But it means that during these great transition years of complete or partial absenteeism the manager, who is the connecting link between the old order and the new, should above all things be a great big human being to carry out the part entrusted to him by the inevitable progress of events.

Everything should be done that the manager can do to give

the owners, through their directorate, a complete up-to-date picture of the plant at all times and under all conditions. This should reflect the human relationship throughout the work no less than the physical condition of the property. The manager's attitude toward the owners, or their directors, should be absolutely frank and open, and should in return develop an attitude of complete confidence and support. The relationship is entirely one of interdependence and demands sure foundations. If, for example, certain policies are being pursued to the detriment of harmony, *esprit de corps*, or reasonable contentment among the workers, or if dividends are being voted at the sacrifice of a proper reserve for depreciation, the manager should fearlessly make this clear and feel sure of an understanding audience. But this is not enough. Being the owner-representative at the plant he should reflect to his directorate as far as possible all that would interest and stimulate the owner-manager of the old order in the prosecution and development of his daily business. Getting the impetus at first hand, he must by his enthusiasm and imagination impart it to those who have the power but lack the contact, and from them he must receive not only support but such sympathy and appreciation of a situation as will make itself felt through him among the workers individually.

This brings up the other side of this relationship—that of the help to the owners. An immense amount of friction and misunderstanding can be avoided by bringing the owners close to the help through the personality of the manager. While the latter should always conduct the business so as to show complete power and authority to deal with all matters of immediate concern, he should at the same time make the people in the plant feel, subconsciously perhaps, that the directors and owners of the company have a real personal interest in everything that transpires.

#### SUPERINTENDENTS AND FOREMEN

Any man can be led if the leadership is good, but many cannot be driven. Superintendents and foremen are readily susceptible to leadership, a thing right in line with their own jobs. Each one of them should be treated as a man with a future, and encouraged to expand and develop himself as much as possible. Indeed

this feeling should pervade every worker in the plant. It is not an original thought, but one well worth adopting, that any superintendent or foreman who grows too big for his job shall have the assistance of the management in taking the next step ahead even if it means going to another company. The old idea was to cling to a man or to jockey him into such a position that he could not leave without serious loss of time or money or prestige. The new idea is to boost him even if it entails the personal loss of his services. The gain in good-will and *esprit de corps* is so great by the boosting plan that it much more than offsets the loss of an individual through extraordinary development and promotion. Good raw material naturally comes to a plant where the future of each individual is a matter of live interest to the management.

Much has been written of the personal relation between the manager and his lieutenants. Sarcasm is always taboo and any faults or criticism of a personal nature are of course dealt with in private, everything being done to build up each man's self-respect and proper confidence in himself. This last can be greatly encouraged by readiness to hear respectfully any honest suggestion from a subordinate and to place credit for initiative or for original ideas exactly where it belongs. A manager who is ready to go to others for expert advice or assistance, who on occasion is not afraid of saying, "I'm wrong" or "It's my mistake," who avoids cultivating an attitude of "know it all" or an atmosphere of infallibility, will greatly promote the growth of his men and their confidence in him. No one is fooled by the opposite posture, but it results in making everyone else shut up like a clam and abandon all real coöperation. A manager should be very careful to stifle any feeling of jealousy as to giving due credit to his rising young assistants; otherwise he is apt to drive a good man prematurely out of the company's employ, or seriously to stunt his growth. The wonderful success of Andrew Carnegie in developing big men about him and growing bigger along with them is the thing to keep in mind. As far as the manager's attitude in this personal relationship is concerned, it must be approachable, frank, friendly and helpful, being suggestive rather than critical and stirring up constructive imagination towards the future rather than dwelling destructively on post-

mortems of work done. Sufficient discipline naturally comes from business-like insistence on things being done methodically and punctually, all of which follows right along with modern planning and lay-out of the work.

But of all things in the successful building and up-keep of a satisfactory and efficient organization, the principal one is to give the man in responsible charge of a department or of a piece of work sufficient lee-way or independence to enable him to grow. Minor mistakes through such a method are inevitable, but how well worth while they are, when it is seen that the alternative, the continuous close personal attention of the manager to every sort of detail, not only robs the superintendents and foremen of their growth but also ties down their chief to intensive routine and destroys his opportunity of real leadership. This point cannot be too strongly emphasized. Good material, properly trained, will know when to seek aid or advice. Beyond affording regular opportunities for this, for example, through a brief conference each morning, and laying out general lines of policy—principles to be followed, and results to be sought—the manager should hesitate to go. On the other hand, through previous experience and training, he should be a master of detail in his chosen line of work, and able to coöperate intelligently and helpfully in any investigation or experiment along technical lines. But above all the manager should have the great part of his time freed from routine for imaginative leadership, and this can only be when he lets others really share his work and his responsibility.

#### EMPLOYEES

The relationship with the employes at large is similar in its interdependence, demanding mutual respect and confidence, but is one of attitude on the part of the manager rather than of frequent contacts. If the manager's attitude is one that inspires trust and confidence of fair dealing it means that the surest foundation for success has been laid. The greatest asset of the United States is said to be the trust which its given word inspires. In a similar way in his own small world the word of the manager should inspire trust; so that whatever the decision may be, the employes can absolutely count upon it. In introducing such work as task and bonus, or premium piece-work of any sort,

this confidence is vital. The greatest difficulty in this sort of development is the fear of the operative that after he has succeeded in accomplishing the task or work as planned and is regularly earning the bonus or increased wage, he will have his bonus rate cut down and be left worse off than at the start with little net increase in wages and a high production record to live up to. It is the duty of the manager by his attitude in such matters to instil confidence in the employes that the company will not permit any such unfairness, and that, for example, no change in task and bonus, once set, will be made without a change in machinery or methods which renders such readjustment fair to both sides.

Undoubtedly the greatest source of all wealth in manufacturing is the ability to secure the good-will of the work-people in their work. This can be done by no short-cut to popularity, by no stage-play nor four-flushing; nor can it be by playing favorites, by making molly-coddles of the workers, or by self-conscious paternalism in welfare work. Good-will in unstinted measure—and that is what you want—is possible only through the proper attitude of the company toward the workers, which means of the management or the manager toward them. In fact, as the manager is often the only contact point of the company with the employes at the plant, the attitude of the company may well originate and develop from the attitude of their manager, particularly in those plants of moderate size with a comparatively inactive directorate and no chairman of the board as in the United States Steel Corporation. This attitude must necessarily be honest, as already noted, but it must be much more than that to reach the great sources of good-will. It must be eminently fair and just; it must lead to a study of the problems of existence through production from the workers' standpoint; it must, as so practical and able a man as Judge Gary himself has stated, be guided by the principles of the Golden Rule. It must be founded on the hypothesis that whatever is to continue to exist in the new world of today, and this would include even such old established customs as the right of private property, will do so because it is best for the people as a whole and not for any particular part or group of them. The time has about arrived, as Charles Dickens phrased it, "when men and women

seem by one consent to open their shut-up hearts freely, and to think of people below them as if they really were fellow-passengers to the grave, and not another race of creatures bound on other journeys."

Able management, whether it works along the lines of so-called Taylor or Scientific Management, or along other lines, must from the material point of view have as its goal the saving of needless effort or labor, and the reclaiming of waste material. But, assuming this to have been perfectly accomplished, the source of all effort, of all initiative, the human being, remains broadly speaking still untouched. Aside from the threat of bolshevism, which originated in a bitter feeling of injustice over the lot of the human race, particularly the Russian race, in connection with its share of life and happiness for the average man today, able management must and is taking note of the human being as a potential source of energy far beyond anything yet realized. Able management is grasping the fact that the means of getting this energy into action are not the knout, the lash, hard words, black looks, or heartless neglect. The meanest man in the street, like the smallest nation, is calling for his place in the sun and he is going to get it. But he will not get it by force and threats such as those in power formerly used against him. He will get it by mutual understanding, and this is where able management steps in. The possibilities of saving in industry in a material way are enormous. The power to realize these savings and then to quadruple them through the vastly increased human energy flowing from the sources of good-will, rests on fair dealing—great, big, broad, fair dealing knowing no contrary precedent, brooking no time-worn hindrance. This fair dealing must wipe out the old demon of human greed, realizing for the struggle that it is to the selfish interest of all concerned to settle this torment once for all. Once this thought is grasped that fair dealing, generous treatment can feed selfish money lust more than stark selfishness itself, everything works toward equilibrium.

Master minds of national repute in industry are already grappling in a practical way with this question, considering it the keystone of the problem. It has been suggested by such men that after living wages and a reasonable minimum return on



capital are paid, the balance be divided equally between labor and capital. A sinking fund or "depreciation reserve for profits" would help average good and bad business years and might answer the query as to how labor was to meet its share of the losses in bad times. Whatever the fair proportion may be, able management knows that it cannot begin to realize these great savings, these vast additions of energy, unless it sets out with this aim of fair dealing in plain sight as its goal. Once this start is made, the plant thus favored will gain momentum as it advances along the right road. With the workers, health, hope, prosperity, happiness, mutual respect both given and received, contentment and absence of fear for the old, ambition and emulation for the young, all come from that great, big, broad, fair dealing which able management and the able manager set as their goal; all are fuel for that vastly increased human energy which flows from the sources of good-will.

#### COMMUNITY

The community can both gain and give much, spiritually as well as materially, through touch with a plant located in its midst. This touch or coöperation is one of the chief concerns of a far-sighted manager. It deals with vital things such, for the worker, as water supply, sanitation, housing, fire-risk, education, recreation; for the town or city, population, livelihood, growth, prosperity. Countless manufacturing towns throughout the country are dependent for their very existence on the sustained business success of the plants within their borders, while these same plants are equally dependent for success in their present locations upon finding there satisfactory conditions of living for their operatives and of transportation for their supplies and products. The manufacturing interests through their operatives furnish for such a city the *raison d'être* of the shops, stores and all other enterprise dependent on retail trade, and also supply directly a large proportion of the taxes for running and developing the city itself. In return the local merchants and business men should provide attractive and satisfactory stocks of goods, wholesome food-stuffs, and first-class amusements, while the city should give its industrial population clean streets, well regulated traffic, modern building laws, ample police and fire protection, sufficient parks and good schools.

In schools, for example, a special opportunity for beneficial coöperation is found, good schools attracting a desirable class of people to a town and later turning out the children of these same people with good educations, well prepared to enter on careers of industry or business to the mutual benefit of themselves and their employers. Trade schools and night schools, fostered by forward-looking industry in coöperation with intelligent city governments to supplement the regular grammar and high school education, present just one of many fields for wonderful team-work between the plant manager and his community. Every health-building effort for the people of a city, everything done to better the conditions surrounding the care and up-bringing of children is just so much solid gain to any manufacturing district. Many plants through their personnel superintendents and their industrial nurses have gone so far with health and welfare work among their employes that their example is a real source of inspiration to their city. From a business point of view alone coöperation of the manager with the city in all such work is most desirable. But with this sort of work, both within and without the plant, it is indispensable that every effort, every expenditure of time, every outlay of money for the benefit of the help be made as a business proposition, because it pays, and never with any idea of charity or paternalism.

In the case of absentee ownership the manager must again be the connecting link, in this instance between the owners and the community. The financial backing represented by plant ownership is needed in many communities to help support work such as Y. M. C. A. and kindred activities, a wide-awake chamber of commerce, efforts for better city government, in fact everything which tends to make the locality a better place to live in. But even with the manager's interest enlisted in such coöperation, the difficulty of replacing the local benefit from resident ownership in industry is very great. Instances can readily be cited of two cities, A and B, lying opposite each other on the same river, with everything the same, climate, healthful location, available water power, transportation facilities, quality of the people, everything except ownership of industry, A having resident ownership, B absentee. Both cities may be enterprising

and prosperous, but in almost every instance of this kind, A with its large property owners on the spot will lead in getting more return for its taxes and in showing a more progressive spirit; it will have better government, better schools, cleaner streets, and will be the first to start new movements for public welfare or business expansion. The man owning industrial property in A knows exactly what is being done with his taxes from day to day; if the streets are poor and the traffic congested, he bumps along and is held up in his automobile; if the fire-risk is bad, he pays for it personally in the insurance on his home; if the schools are poor, he wonders where he is going to educate his children. But the absentee owning industrial property in B has none of these personal contacts with inconvenience and if his dividends are diminished by over-taxation or a difficult labor market, he realizes but dimly the cause.

#### CUSTOMERS

Though remote from the plant the customers comprising its markets form a contact that is very real. This relationship is susceptible of great influence for better or worse through the manager, who can build up a great reputation for his plant and product by the simple means of frankness and fair dealing, of courtesy, of care, of interest in the special requirements of each customer, of readiness to have his organization take all those pains in little things which collectively represent what is known as service in modern business. Reciprocally he can help a whole lot the people in the plant working on the orders of these customers, by interpreting to them in their own familiar language the various instructions and criticisms which the customers send in. Some customers are captious, some over-critical, some, while meaning to be fair in their criticisms, do not know how to express them properly. It is most desirable that every manager of a plant know his customers personally as far as possible, and so knowing them and understanding their personality, he can intelligently gauge and interpret their instructions and criticisms to his organization. There is a remarkable psychology which pervades a working force in regard to the particular customer whose work they may be handling. It is a striking fact that customers who take fair views, who are not unreasonably critical, and who are not afraid to pass back to the plant a friendly good word when

work is done well, create a feeling of pleasure and satisfaction among the people engaged upon their work, and this feeling reacts favorably toward the successful accomplishment of the work; while on the other hand, incessant, rasping, unfair criticism results in making the help nervous and affects the work unfavorably. Where work is done on orders for particular customers it thus acquires a sort of personality with the work-people, and the touch of the manager in transmitting through his organization the wishes and criticisms of each client should be such in each case as to make the "personality" of the work as agreeable as possible to the workers.

Beyond this and very important is the helpfulness of having as many as possible of the executive staff of a plant know one's customers personally. A trip through the market for each one at least two or three times a year is the way to do this. Personal acquaintance, understanding and friendship on either side make up a strong mental background for what before was only an endless flow of letters or orders. Too often a customer has no understanding of the difficulties and risks of manufacturing, while an executive at the plant thinks of the customer as a fussy or unreasonable person to please whom is impossible. Face to face each realizes the other is human; the customer grasps the idea of conditions not always possible to control; the plant executive sees that the mill's customer has in turn his customer—be it some further manufacturer or the general public—who must be satisfied or appeased. Where the nature of a business is such that a company manufactures and markets its product direct through a large selling force covering a wide area, for example the entire country, the ends above outlined are largely achieved by gathering the selling force together at the plant, say every six months just before the opening of a season, and having manufacturing and selling heads spend a week in conferences, formal and informal. This is current practice in many places and the results are immeasurably beneficial. The principle, however, is in all cases the same: bring those who manufacture a product into the closest possible touch with the final users of that product.

#### COMPETITORS

Lastly, in the list of contacts as we are taking them up, but of prime importance, are the manager's dealings with his com-

petitors. Much less than a generation ago each piece of knowledge a foreman in a mill possessed was regarded by him as his own private property. If he divulged it to the management he felt his hold on his job was just that much less secure. Examples of this in the textile industry come freely to the writer's mind. A boss dyer, before the advent of the great development of German dyes, was very close about recording his old wood-dye formulas. If he happened to be sick, or on vacation, or if he quit his job, so much the worse for the plant for the time being—he was not looking ahead for himself or for his plant. A foreman carder in a cotton mill had a remarkable mixture of oils for treating the leather on the rolls of his draw-frames. Nothing under heaven could persuade him to divulge this recipe. The relation of plant to plant in competition in the same industry has been, and to a large extent still is, in the same condition as that of these foremen in clinging to their past knowledge. While it is not suggested that one's special trade secrets should be trumpeted from the house-tops to one's bitterest competitor, it is a fact that a certain attitude of mind begets certain results. Useful knowledge cannot be locked up in a chest and kept for any time from the use of men, without some one happening along and picking the lock. The man who is always worrying about guarding his work and methods from others will not have room in his mind for big constructive thought looking to future development and betterment. Every good thing brought out in industry is going to have imitation and in most cases successful imitation. So after all the chief benefit in singularity or individuality of ideas and methods is to be a leader in these, to be a year or two, or even six months, ahead of the crowd; not only not to follow, but to be far from content simply to be "on the band wagon" as they say in politics; one must be far ahead of the "band wagon" or average knowledge and practice, to get the real benefits we are contending for.

Now what, you are asking, has all this to do with the relation of a manager to his competitors and to other plants? Just this. No one has a monopoly of good ideas, and it is only by exchanging ideas through contacts with one's competitors that a manager can truly grow. This applies just as much to the other plant's manager as to yourself. Even without giving out any special

formulas or peculiar trade secrets, without even showing certain machines of unusual design or accomplishment, one man can visit the plant of another in the same industry with very great profit to both. It matters not whether the visit is made or is received.

I cannot remember any visitor to our plant from a competing plant, and all are welcome, who by his questions has not stirred up some new line of thought which has led to helpful action of one kind or another. This, of course, would seem the lesser of the opportunities for benefit. In visiting another's plant a host of new ideas is gathered, not necessarily of one specific method or process, but of doing a score of things which you are doing, but in an entirely different way, of tackling a problem from a new standpoint, of accomplishing the same result with less toil or under healthier conditions for the workers. As in the case of one's customers, closer acquaintance with competitors also causes everyday vexations to disappear. The futility of pirating help is quickly realized and practices of this kind which bring no lasting advantage, but only ill will, fall naturally into disuse. The broadening effect of exchanging plant visits is remarkable, the results are mutually advantageous, the benefit is great to the industry as a whole, particularly in view of the new era of world competition on which we are entering.

Again in matters of markets such as costs and prices, a great amount of good is gained by frank and open dealings with one's competitors, good not only for one another but for one's customers, for the trade at large. Should the plant manager also have to do with the selling policy of the business he will find that free comparisons with competitors of costs for a given operation or product, legitimate publishing of prices that have been quoted on standard lines of work, all make for stable market conditions benefiting both buyer and seller.

Plants, even industries, are like individuals. Some are broad-minded, receptive of new ideas, progressive, energetic. Others are narrow in outlook, suspicious of all change; they are clinging to the past, waiting to be pushed. Let no one think that by an open-minded attitude he will so reform his industry that there will be no laggards left to set the average market price above his costs. There is more, a million times more to gain by industrial reciprocity than by isolation and stagnation; and the stepping-

stone to reciprocity is the broad-minded attitude of the management, and first of all, of the manager.

#### CONCLUSION

The manager himself then is the focal point of all these various contacts of plant relationships. Under the old conditions he was often a victim, ground between the upper and nether millstones, capital and labor, his employers and his help. The new view, speaking somewhat in the language of the army, would rather regard him as a thoroughly efficient *liaison* officer promoting understanding, coöperation and harmony. Instead of being broken down or in a rut, he should be full of contagious enthusiasm, ready for leadership, carving out new lines of progress. But assuming him to be a man of integrity, force of character, brains and energy, what is the most important characteristic of his work? Unquestionably his attitude. It is his compass according to which he will steer toward the east, the coming day, the new vision, the broadening opportunity; or toward the west, the setting sun, the days that are past, the closed mind. He must keep in touch with things in a large way. What is going on in England, for example, in the work of the Joint Industrial Councils and their share, at least in an advisory capacity, in governmental problems of reconstruction and adjustment will be of live interest to him. So far has this development gone that it is even suggested (by Sir John Pilter, honorary president of the British Chamber of Commerce at Paris) that joint commissions of employers and employes "visit the principal producing centres in their trade in other countries and there see at first hand the conditions with which they must coöperate or compete and study any advantage or improvement which might well be carried home. The scheme is based on the doubtless sound notion that, broadly speaking, labor has little if any knowledge of the main currents of industry, and that if employers were to share their knowledge of competitive markets with their employes, there would be a clearer understanding on the part of labor of the problems for whose solution 'capital' is responsible." A moment's thought of the vast possibilities contained in this outlook and of the rapidly changing conditions of the new world of today cannot fail to stimulate the imagination and to challenge real ability.